

King County Auditor's Office

Kymber Waltnunson, King County Auditor



King County

DATE: September 10, 2015

TO: Metropolitan King County Councilmembers

FROM: Kymber Waltnunson, King County Auditor

SUBJECT: Third Follow-up on the Implementation of All Unresolved Recommendations for the 2009-2012 Emergency Medical Services Levy Financial and Compliance Reviews

The Emergency Medical Services (EMS) Division has resolved nearly all thirteen recommendations from four audits conducted between 2009 and 2012, achieving increased transparency and system effectiveness through improved financial and operational policies and procedures.

As of December 2013, EMS had made progress implementing two of three remaining recommendations. Since then, EMS has fully implemented the recommendation from our 2011 audit related to improving data collection and analysis process for decision-making related to Advanced Life Support (ALS) dispatch costs. As a result, there is a consistent and transparent basis for determining the annual dispatch costs attributed to ALS providers and EMS uses the cost data to inform budget decisions. The recommendation from our 2010 audit related to vehicle replacement is no longer applicable due to uncertainties about cost-effectiveness and therefore has been closed.

There is one final recommendation regarding options for distribution of Basic Life Support (BLS) levy funds that is not due to be implemented until the end of next year. We will follow up in late 2016.

Of the two audit recommendations reviewed in this follow-up:

DONE	1	Recommendation has been fully implemented Auditor will no longer monitor
OPEN	0	Recommendations remain unresolved Auditor will continue to monitor
PROGRESS	0	Recommendations are in progress or partially implemented Auditor will continue to monitor
CLOSED	1	Recommendation no longer applicable Auditor will no longer monitor

Please see below for details on the implementation status of these recommendations.

Implementation Status as of September 2015

#	Quick Status	Recommendation	Status Detail
2010-7	CLOSED	The EMS Division should establish a policy requiring the remounting ambulance modules at specified intervals instead of purchasing new ALS vehicles as part of a strategic initiative on vehicle replacement. The remounting intervals should be specified in conjunction with the results of life cycle cost analysis.	According to EMS, remounting ambulance modules should be an option to consider, although it may not always be the most cost-effective means of minimizing vehicle replacement costs. This is due to evolving safety standards and manufacturing technology of ambulance modules. EMS continues to work with the ALS Working Group to analyze the applicability of the remounting option. We consider this a reasonable approach and will no longer monitor this recommendation.
2011-2	DONE	<p>(a) The EMS Division should establish a communications protocol with NORCOM and Valley Comm to ensure a common understanding of the basis of the annual dispatch costs that are allocated to EMS providers and the annual cost per call.</p> <p>(b) In addition, the EMS Division and ALS providers should require additional documentation directly from the dispatch agencies that identifies both annual capital and operating dispatch costs; obtain itemized invoices from the dispatch agencies to clearly show how expenses that are attributable to ALS; and verify that reimbursement requests are justified based on the actual volume and costs of ALS dispatch services, and properly accounted for in ALS quarterly billings.</p> <p>(c) The EMS Division should regularly review dispatch invoices received by ALS providers to verify that the actual amounts billed are consistent with the dispatch services received, and use this information as part of the dispatch reserve analysis.</p>	<p>EMS substantially completed parts (a) and (b) of this recommendation at the time of the last follow-up in December 2013. According to EMS, the establishment of communication protocol with NORCOM and Valley Comm has improved transparency and consistency of annual dispatch costs allocations for the division and ALS agencies.</p> <p>For part (c), EMS staff now reviews amounts invoiced by ALS agencies against the NORCOM ALS agency report quarterly to verify amounts billed. In addition, EMS analyzes the invoice data to determine if any agency is eligible for using dispatch reserve per annual financial policy. According to EMS, the ability to understand and distinguish ALS costs from Basic Life Support (BLS) costs helps inform and legitimize decisions to utilize the dispatch reserve.</p>

Chelsea Lei, Management Auditor, and Laina Poon, Principal Management Auditor, conducted this review. Please contact Chelsea Lei at 477-6523, or me at 477-1043 if you have any questions about the issues discussed in this letter.

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